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Attorneys for Debtors and Debtors-in-Possession

**UNITED STATES BANKRUPTCY COURT
 DISTRICT OF NEVADA**

In re:
 USA COMMERCIAL MORTGAGE COMPANY,
 Debtor.

Case No. BK-S-06-10725 LBR
 Case No. BK-S-06-10726 LBR
 Case No. BK-S-06-10727 LBR

In re:
 USA CAPITAL REALTY ADVISORS, LLC,
 Debtor.

Case No. BK-S-06-10728 LBR
 Case No. BK-S-06-10729 LBR

In re:
 USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,
 Debtor.

Chapter 11

Jointly Administered Under
 Case No. BK-S-06-10725 LBR

In re:
 USA CAPITAL FIRST TRUST DEED FUND, LLC,
 Debtor.

In re:
 USA SECURITIES, LLC,
 Debtor.

**SUPPLEMENTAL DECLARATION
 REGARDING DEBTORS' RETENTION OF
 RAY QUINNEY & NEBEKER P.C. AS
 BANKRUPTCY COUNSEL FOR THE
 DEBTORS
 (AFFECTS ALL DEBTORS)**

Affects:

- ☒ All Debtors
☐ USA Commercial Mortgage Company
☐ USA Securities, LLC
☐ USA Capital Realty Advisors, LLC
☐ USA Capital Diversified Trust Deed Fund, LLC
☐ USA First Trust Deed Fund, LLC

1
2 I, STEVEN C. STRONG, submit the following verified statement and disclosure to
3 supplement the Declaration of Annette W. Jarvis (the "Jarvis Declaration") that was filed as an
4 exhibit to and in connection with the Debtors' Application to Employ Ray Quinney & Nebeker
5 P.C. as Counsel to the Debtors Pursuant to 11 U.S.C. §§ 327 and 329, and Rules 2014, 2016, and
6 5002 of the Federal Rules of Bankruptcy Procedure (the "Employment Application").
7

8 1. I am a shareholder in the Salt Lake City, Utah office of the law firm of Ray
9 Quinney & Nebeker P.C. ("Ray Quinney"). I am a licensed member of the Utah State Bar and am
10 admitted to practice in the United States District Court for the District of Utah and other federal
11 courts. I have been admitted pro hac vice to practice before this Court in the above-captioned
12 bankruptcy cases of the Debtors. I have personal knowledge of the matters set forth herein except
13 that certain disclosures herein relate to matters within the knowledge of other persons at Ray
14 Quinney and are based on information received from them.
15

16 2. On April 13, 2006, the Debtors, namely USA Commercial Mortgage Company,
17 USA Securities, LLC, USA Capital Realty Advisors, LLC, USA Capital Diversified Trust Deed
18 Fund, and USA Capital First Trust Deed Fund, by and through their proposed counsel, Ray
19 Quinney and the Schwartzter & McPherson firm, each filed chapter 11 bankruptcy petitions.
20

21 3. On April 18, 2006, the Debtors filed the Employment Application seeking
22 authorization to employ Ray Quinney pursuant to 11 U.S.C. § 327(a).

23 4. The Jarvis Declaration was filed as an exhibit to and in support of the Employment
24 Application in order to make appropriate disclosures under Federal Rule of Bankruptcy Procedure
25 2014(a).

26 5. Since filing of the Jarvis Declaration, Ray Quinney has become aware of the
27
28

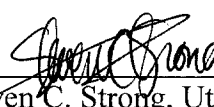
1 following additional fact that may similarly require disclosure:

2 Andrew Jarvis has accepted a position with Mesirow Financial Consulting, LLC
 3 (“MFC”), beginning October 2, 2006. Andrew Jarvis is the son of Annette W. Jarvis, a
 4 shareholder of Ray Quinney and the lead counsel for the Debtors in these cases. MFC is
 5 an affiliate of Mesirow Financial Interim Management (“Mesirow”), which is currently
 6 employed as the Debtors’ Interim Crisis Managers in the Debtors’ bankruptcy cases.
 7 Mesirow and MFC are aware that Andrew Jarvis is related to Annette W. Jarvis, and have
 8 agreed that Andrew Jarvis will not provide any services to the Debtors.
 9

10 6. To the best of my knowledge, the disclosure herein does not disqualify Ray
 11 Quinney from employment in this case, Ray Quinney does not hold or represent an interest
 12 materially adverse to the Debtors or their bankruptcy estates, and Ray Quinney continues to be a
 13 “disinterested person.”
 14

15 I declare, under penalty of perjury, that, to the best of my knowledge, information and
 16 belief, the foregoing is true and correct.

17 Executed October 2, 2006.

18 
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